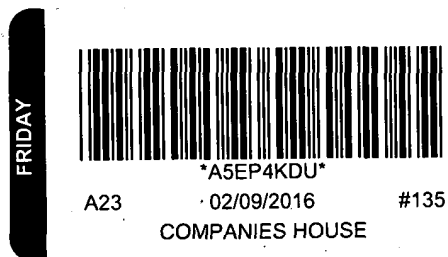


Allmat (East Surrey) Limited

Directors' Report and financial statements
for the year ended 31 March 2016



Registered number 2612101

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Directors' Report

The Directors present their annual report and the audited financial statements for the year ended 31 March 2016. The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to small companies' exemption.

Principal activities

The principal activity of the Company is the supply of building products to the building industry.

Results and dividends

The Company paid a dividend of £100,000 during the year (2015: £153,000). The profit after tax for the year is £197,759 (2015: £178,917).

Directors

The Directors in office during the year were as follows:

JR Chadwick
AJD Ferrar

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Donations

The Company made no political or charitable donations in the year (2015: £nil).

Appointment of auditors

Pursuant to a shareholders' resolution, the Company is not obliged to re-appoint its auditors annually and KPMG LLP will therefore continue in office.

By order of the Board



AJD Ferrar
Director

66-74 London Road
Redhill
Surrey
RH1 1LJ

8 July 2016

Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

KPMG LLP

15 Canada Square
London
E14 5GL
United Kingdom

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLMAT (EAST SURREY) LIMITED

We have audited the financial statements of Allmat (East Surrey) Limited for the year ended 31 March 2016 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

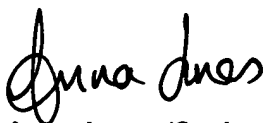
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Anna Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

11 July 2016

Profit and loss account
for the year ended 31 March 2016

	<i>Note</i>	2016 £	2015 £
Turnover	2	3,410,611	3,456,773
Cost of sales	3	(2,262,914)	(2,364,204)
Gross profit		1,147,697	1,092,569
Distribution costs		(561,722)	(532,945)
Administrative expenses		(338,285)	(323,950)
Operating profit		247,690	235,674
Interest payable and similar charges	4	(545)	(244)
Profit on ordinary activities before taxation	5	247,145	235,430
Tax on profit on ordinary activities	8	(49,386)	(56,513)
Profit for the financial year		197,759	178,917

The Company's profit on ordinary activities before tax arose solely from continuing activities. There were no recognised gains and losses in either year other than those reported in the profit and loss account above and therefore no statement of other comprehensive income is presented. Reported profits are equivalent to historic cost profits.


The notes on page 9 to 18 form part of these financial statements.

Balance sheet
at 31 March 2016

	Note	£	2016 £	£	2015 £
Non-current assets					
Tangible assets	10		194,946		172,953
Current assets					
Stock	11	291,093		292,643	
Debtors	12	257,199		306,967	
Cash at bank and in hand		217,177		203,270	
			<u>765,469</u>	<u>802,880</u>	
Creditors: amounts falling due within one year	13	(434,920)		(548,683)	
			<u>330,549</u>		<u>254,197</u>
Net current assets					
			<u>525,495</u>		<u>427,150</u>
Total assets less current liabilities					
Provisions for liabilities and charges	14				
Deferred tax			(1,424)		(838)
			<u>524,071</u>		<u>426,312</u>
Net assets					
Capital and reserves					
Called up share capital	16	100		100	
Share premium	17	19,990		19,990	
Profit and loss account		503,981		406,222	
			<u>524,071</u>		<u>426,312</u>
Shareholders' funds					
			<u>524,071</u>		<u>426,312</u>

The notes on pages 9 to 18 form part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on 8th July 2016 and were signed on its behalf by:


AJD Ferrar
Director

Statement of changes in equity
at 31 March 2016

	<i>Note</i>	Share Premium £	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2015		19,990	100	406,222	426,312
Profit for the year		-	-	197,759	197,759
		<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period				197,759	197,759
		<hr/>	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly within equity:					
Dividends	9	-	-	(100,000)	(100,000)
		<hr/>	<hr/>	<hr/>	<hr/>
Total distributions to owners		-	-	(100,000)	(100,000)
		<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2016		19,990	100	503,981	524,071
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the Financial Statements)

1 Accounting policies

Basis of preparation

Allmat (East Surrey) Limited is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 subject to the small companies regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

On conversion to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. The company has made an adjustment to deferred tax on conversion relating to the reclassification of plant and equipment. The conversion note can be seen on page 17 of these financial statements.

The Company's ultimate parent undertaking, Sumisho Osaka Gas Water UK Ltd includes the Company in its consolidated financial statements. The consolidated financial statements of Sumisho Osaka Gas Water UK Ltd are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ. Company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures in respect of capital management; and
- the effects of new but not yet effective IFRSs.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 IFRS balance sheet at 01 April 2015 for the purposes of the transition to FRS 101.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 15.

Turnover

Turnover represents the amount (excluding value added tax) receivable from the provision of goods and services to customers.

Notes

(Basis of preparation continued)

Leases

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Dividends

Dividends are only recognised as a liability to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the Financial Statements.

Fixed assets and depreciation

Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and Machinery	-	4 - 20 years
Fixtures & fittings	-	4 - 20 years
Motor vehicles	-	4 - 10 years
Office equipment	-	4 - 20 years

Stocks

Stocks are stated at the lower of cost and net realisable value, provision having been made for any slow moving or obsolete stock where this is considered necessary. Cost is determined on a last price paid basis.

Pension costs

The Company offers a Group Personal Pension Plan and a Money Purchase Plan to employees. The amount charged against profits represents the contributions payable to these schemes.

Going concern

The Directors have considered the company's assets and liabilities as at the date of signing these accounts, and have concluded that the company will continue to be able to meet its liabilities for at least twelve months from the date of signature of these accounts. A going concern basis has therefore been adopted.

Notes (continued)

2 Turnover

	2016 £	2015 £
Sales of Building Materials	3,410,611	3,456,773
	<u> </u>	<u> </u>
All turnover arises in the UK		

3 Cost of sales

	2016 £	2015 £
Materials and consumables	2,294,880	2,393,471
Settlement discount received	(43,166)	(31,226)
Obsolete stock written off	11,200	1,959
	<u> </u>	<u> </u>
	2,262,914	2,364,204
	<u> </u>	<u> </u>

4 Interest receivable and other income

	2016 £	2015 £
Interest payable and similar charges	1,725	1,415
Interest receivable and similar income	(1,179)	(1,171)
	<u> </u>	<u> </u>
Net interest and similar charges	545	244
	<u> </u>	<u> </u>

5 Expenses and auditor's remuneration

	2016 £	2015 £
Included in profit before tax are the following:		
Audit of these Financial Statements	5,200	5,200
Depreciation	36,081	43,752
Operating lease rentals – land and buildings	41,300	40,900
Operating lease rentals – other	6,587	6,168
Loss/(profit) on disposal of fixed assets	1,477	(4,045)
	<u> </u>	<u> </u>

No fees are paid to KPMG LLP other than for the statutory audit of the Company (2015: £nil).

6 Directors' remuneration

The Directors received no remuneration or fees in respect of their services to the Company for the year ended 31 March 2016 (2015: £nil).

Notes (continued)

7 Staff numbers and costs

The average number of persons employed by the Company during the year, analysed by category, was as follows:

	2016 Number	2015 Number
Administration	5	5
Sales and distribution	15	14
	<u>20</u>	<u>19</u>

The aggregate payroll costs of these persons were as follows:

	2016 £	2015 £
Wages and salaries	512,403	483,389
Social security costs	48,697	42,736
Pension costs	41,349	36,851
	<u>602,449</u>	<u>562,976</u>

8 Taxation

Analysis of charge in period

	2016 £	2015 £
<i>UK corporation tax</i>		
Current tax on income for the period	49,197	50,433
Adjustments in respect of prior periods	(397)	3,960
	<u>48,800</u>	<u>54,393</u>
Total current tax	48,800	54,393
<i>Deferred tax</i>		
Deferred tax charge	586	2,120
	<u>49,386</u>	<u>56,513</u>
Tax on profit on ordinary activities	49,386	56,513

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax liability at 31 March 2016 has been calculated based on these rates.

Notes (taxation continued)

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax liability at 31 March 2016 by £220

The deferred tax asset at 31 March 2016 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2015: higher) than the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below.

	2016 £	2015 £
<i>Reconciliation of effective tax rate</i>		
Profit for the year	247,145	235,430
	<hr/>	<hr/>
Tax using the UK corporation rate of 20% (2015: 21%)	49,429	49,440
<i>Effects of:</i>		
Expenses not deductible for tax purposes	130	(23)
Profit on disposal of fixed assets	312	(849)
Capital allowances for period less than depreciation	(675)	1,865
Deferred tax charge for the year	586	2,120
Adjustments in respect of previous periods	(397)	3,960
	<hr/>	<hr/>
Total tax expense	49,386	56,513
	<hr/>	<hr/>

9 Dividends

	2016 £	2015 £
Ordinary dividend paid of £1,000 per share (2015: £1,530 per share)	100,000	153,000
	<hr/>	<hr/>

Notes (continued)

10 Tangible fixed assets

	Plant and Machinery £	Fixtures and Fittings £	Office Equipment £	Total £
Cost				
At beginning of year	303,886	75,726	21,431	401,043
Additions	63,298	6,001	4,752	74,051
Disposals	(35,950)	-	-	(35,950)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	331,234	81,727	26,183	439,144
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At beginning of year	149,192	58,696	20,202	228,090
Charge for year	29,899	5,999	183	36,081
Disposals	(19,973)	-	-	(19,973)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	159,118	64,695	20,385	244,198
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2016	172,116	17,032	5,798	194,946
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	154,694	17,030	1,229	172,953
	<hr/>	<hr/>	<hr/>	<hr/>

11 Stocks

	2016 £	2015 £
Finished goods and goods for resale	291,093	292,643
	<hr/>	<hr/>

12 Debtors

	2016 £	2015 £
Trade debtors	238,718	236,069
Amounts owed by group undertakings	854	3,107
Other debtors	7,338	7,982
Prepayments and accrued income	10,289	59,809
	<hr/>	<hr/>
	257,199	306,967
	<hr/>	<hr/>

Notes (continued)

13 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	229,335	336,756
Amounts owed to group undertakings	48,702	76,975
Other creditors including taxation and social security	72,450	55,704
Corporation tax	49,196	50,433
Accruals and deferred income	35,237	28,815
	<hr/> 434,920 <hr/>	<hr/> 548,683 <hr/>

14 Provisions for liabilities and charges

	2016 £	2015 £
<i>Deferred tax liability (attributable to tangible fixed assets)</i>		
Creditor/(debtor) as at 1 April	838	(5,422)
Profit and loss account charge	586	6,260
	<hr/> 1,424 <hr/>	<hr/> 838 <hr/>

15 Accounting estimates and judgements

Investments

Tangible fixed assets are stated at cost less impairments which are shown in note 10 of these financial statements. The board has assessed the recoverability of its fixed assets in the period and no additional provisions have been made.

Turnover

Turnover is recognised upon despatch of goods from the Company's premises. There are no other revenue recognition policies in operation.

16 Share capital

	2016 £	2015 £
<i>Authorised, allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

17 Share premium account

	2016 £	2015 £
At beginning and end of year	19,990	19,990
	<hr/>	<hr/>

Notes (continued)

18 Pension scheme

The Company offers a Group Personal Pension Plan to its employees. The pension charge for the year represents contributions payable by the Company to the scheme and amounted to £41,349 (2015: £36,851). There were outstanding contributions at the end of the financial period of £3,623 (2015: £2,973).

19 Capital commitments

The Company had no contracted capital commitments (2015: £Nil).

20 Commitments

Non-cancellable operating lease rentals are payable as follows:

	2016	2015
	£	£
Less than one year	6,587	6,168
Between one and five years	18,412	25,000
	<u>24,999</u>	<u>31,168</u>

During the year £6,587 was recognised as an expense in the profit and loss account in respect of operating leases (2015: £6,168).

21 Transition from UKGAAP to FRS101

	UK GAAP	Conversion Adjustments	FRS101
	2015 £	2015 £	2015 £
Profit and loss account			
Turnover	3,456,733	-	3,456,733
Cost of sales	(2,364,204)	-	(2,364,204)
Gross profit	1,092,569	-	1,092,569
Administrative expenses	(532,945)	-	(532,945)
Distribution expenses	(323,950)	-	323,950)
Operating profit	235,674	-	235,674
Interest payable and similar charges	(244)	-	(244)
Profit on ordinary activities before taxation	235,430	-	235,430
Tax on profit on ordinary activities	(50,253)	(6,260)	(56,513)
Profit on ordinary activities after taxation	<u>185,177</u>	<u>(6,260)</u>	<u>178,917</u>

Notes (continued)

	UK GAAP 2014 £	Conversion Adjustments 2014 £	FRS101 2014 £	UK GAAP 2015 £	Conversion Adjustments 2015 £	FRS101 2015 £
Balance sheet						
Fixed assets						
Tangible assets	172,212	-	172,212	172,953	-	172,953
Current assets						
Stock	195,236	-	195,236	292,643	-	292,643
Debtors	259,922	(6,803)	253,119	312,389	(5,422)	306,967
Cash at bank and in hand	198,597	-	198,597	203,270	-	203,270
	653,755	-	646,952	808,302	-	802,880
Creditors: amounts falling due within one year	(425,572)	-	(425,572)	(548,683)	-	(548,683)
Net current assets	228,183	-	221,380	259,619	-	254,197
Provisions for liabilities and charges						
Deferred tax	-	-	-	-	(838)	(838)
Net assets	400,395	(6,803)	393,592	432,572	(6,260)	426,312
Capital and reserves						
Called up share capital	100	-	100	100	-	100
Share premium	19,990	-	19,990	19,990	-	19,990
Profit and loss account	380,305	(6,803)	373,502	412,482	(6,260)	406,222
Shareholders' funds	400,395	(6,803)	393,592	432,572	(6,260)	426,312

22 Ultimate parent Company

The ultimate parent Company and the smallest and largest group in which the results of the Company are consolidated is Sumisho Osaka Gas Water UK Limited and the consolidated accounts are available at Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ.